

[22 February, 2001]

RAJYA SABHA

free of cost, to the drought affected States of Chhatisgarh, Gujarat, Himachal Pradesh, Maharashtra, Madhya Pradesh, Orissa, Rajasthan and Uttaranchal. The reserve prices of damaged foodgrains were also revised downwards to expedite disposal of damaged foodgrains. To ensure expeditious disposal of damaged foodgrains, FCI has also carried out modifications in the existing procedure. As per the new procedure, the earnest money to be deposited by the tenders for purchase of such foodgrains has been raised from 5% to 10% of the tendered value. In case of SSI units, this deposit has been raised from the existing 1% to 5% without any upper limit/ceiling.

Subsidy on Food

132. SHRI RAJNATH SINGH 'SURYA': Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether it is a fact that the attempt for reducing subsidy on food by increasing price of food items did not work this year;
- (b) if so, the reasons therefor;
- (c) whether subsidy on food has overshot the intended figure this year;
- (d) if so, how much; and
- (e) what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) to (e) The quantum of food subsidy depends on the level of procurement of foodgrains, the off-take under TPDS and various schemes involving subsidy. Both procurement and off-take are also determined by the market prices prevailing in respect of agricultural commodities. There has been increase in procurement and reduction in off-take of foodgrains in 2000-2001 which are expected to contribute to a

significant increase in buffer subsidy which is a constituent of Food Subsidy. The exact amount will be known after the close of the financial year 2000-2001.

Buffer Stock of Foodgrains in Godowns

†133. SHRI KAPIL SIBAL:

SHRI RAJ MOHINDER SINGH:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that Government had to bear additional expenditure for the past few years on account of surplus buffer stock of foodgrains in Government godowns in the country;

(b) if so, the additional amount of expenditure which Government had to bear during the financial years, 1997-98, 1998-99 and 1999-2000;

(c) whether consumer prices of wheat and rice had to be enhanced during the above years; and

(d) if so, what were the prices in April, 1997-98 and March, 1999-2000 separately?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) Yes, Sir.

(b) The estimated additional expenditure incurred on net surplus of wheat and rice over the requirement of TPDS during the financial years 1997-98, 1998-99 and 1999-2000 was as under:—

	(Rs. crores)
Year	Additional Expenditure
1997-98	904
1998-99	1392
1999-2000	2797

(c) Yes, Sir.

†Original notice of the Question was received in Hindi.